

## Message Text

CONFIDENTIAL

PAGE 01 STATE 275393  
ORIGIN EA-12

INFO OCT-01 ISO-00 SS-15 NSC-05 ONY-00 /033 R

DRAFTED BY TEXT AS RECEIVED FROM WHITE HOUSE  
APPROVED BY EA/TIMBS:ROBERT E. FRITTS  
EA - MR. MILLER  
S/S - TGMARTIN  
DESIRED DISTRIBUTION  
EA, S/S, NSC ONLY

-----018657 171153Z /11

R 170054Z NOV 77  
FM SECSTATE WASHDC  
TO AMEMBASSY SINGAPORE

C O N F I D E N T I A L STATE 275393

E.O. 11652: GDS

TAGS: PPDC, SN

SUBJECT: PRESIDENTIAL REPLY TO PRIME MINISTER LEE KUAN YEW

1. THE PRESIDENT HAS SENT A LETTER DATED NOV. 15, 1977  
(ORIGINAL BEING POUCHED) IN RESPONSE TO PM LEE'S LETTER  
OF OCTOBER 26. THE EXCHANGE OF CORRESPONDENCE IS CONFIDEN-  
TIAL AND DEPT DOES NOT INTEND ANY PUBLICITY. AMBASSADOR  
MAY WISH DELIVER TEXT AS REPEATED BELOW TO BE FOLLOWED BY  
SIGNED ORIGINAL WHEN RECEIVED.

2. BEGIN TEXT: THE WHITE HOUSE, WASHINGTON, NOVEMBER 15,  
1977.

DEAR MR. PRIME MINISTER:

THANK YOU FOR YOUR THOUGHTFUL LETTER ABOUT OUR RECENT TALKS.  
I WAS VERY PLEASED TO WELCOME YOU TO WASHINGTON AND TO  
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 STATE 275393

EXCHANGE VIEWS ON IMPORTANT ISSUES. I UNDERSTAND THAT YOU  
ALSO HAD PRODUCTIVE EXCHANGES WITH MEMBERS OF CONGRESS AND  
OTHERS OUTSIDE THE EXECUTIVE BRANCH WHO HELP SHAPE AMERICAN  
OPINION AND POLICIES.

AS A RESULT OF OUR CONVERSATION, I HAVE A FAR BETTER UNDER-  
STANDING OF SINGAPORE'S SINGULAR ECONOMIC SUCCESS AND OF

ITS SPECIFIC CONCERNS ABOUT THE UNITED STATES' POLICY. I OBTAINED A DEEPER APPRECIATION OF THE DEGREE TO WHICH SINGAPORE'S INTERESTS ARE LINKED ORGANICALLY TO REGIONAL AND INTERNATIONAL ECONOMIC COOPERATION, PEACE AND STABILITY -- FOR WHICH THE UNITED STATES HAS LONG ACCEPTED SIGNIFICANT RESPONSIBILITIES. I WELCOME YOUR CLEAR RECOGNITION OF THE BASIC CAUSES OF THOSE ECONOMIC PROBLEMS WHICH ARE OF SUCH DEEP CONCERN TO DEVELOPING COUNTRIES IN GENERAL AND TO THE COUNTRIES OF SOUTHEAST ASIA SPECIFICALLY. I SHARE YOUR GENERAL DIAGNOSIS OF INTERNATIONAL ECONOMIC DIFFICULTIES. SLUGGISH GROWTH IN THE INDUSTRIAL COUNTRIES CREATES AN ENVIRONMENT IN WHICH PROTECTIONISM FLOURISHES.

THAT IS WHY I HAVE TAKEN MEASURES TO STIMULATE THE UNITED STATES' ECONOMY, AND SOUGHT THROUGH THE LONDON SUMMIT MEETING TO INDUCE OTHER INDUSTRIAL NATIONS TO DO LIKEWISE. THE UNITED STATES IS ALSO INTENT ON ESTABLISHING A BETTER EQUILIBRIUM IN INTERNATIONAL PAYMENTS, SO THAT THE PATH OF ECONOMIC RECOVERY WILL NOT BE STIFLED BY SERIOUS IMBALANCES. FOR THIS REASON, I AM PARTICULARLY ANXIOUS THAT THE STILL-FRAGILE STATE OF THE WORLD'S MONETARY SYSTEM NOT BE FURTHER STRAINED BY INCREASES IN OIL PRICES. THE UNITED STATES IS ENGAGED IN A MOST SERIOUS DISCUSSION OF THIS SUBJECT WITH THE ORGANIZATION OF PETROLEUM EXPORTING COUNTRIES AND WITH OTHER CONSUMERS.

CONFIDENTIAL

CONFIDENTIAL

PAGE 03 STATE 275393

WE WILL CONTINUE TO WORK HARD ON THESE TASKS -- ON WHICH I VERY MUCH APPRECIATE YOUR UNDERSTANDING AND SUPPORT -- AND I WISH TO ASSURE YOU THAT WE ARE DEEPLY COMMITTED TO RESISTING THE DEMANDS FOR PROTECTIONISM. BUT, AS I AM SURE YOU REALIZE, WE MAY NOT ALWAYS BE SUCCESSFUL IN THWARTING THEM UNLESS WE CAN MAKE GOOD PROGRESS IN REDUCING ALL COUNTRIES' TRADE BARRIERS. A SPEEDY AND EFFECTIVE CONCLUSION OF THE MULTILATERAL TRADE NEGOTIATIONS SHOULD SUBSTANTIALLY REDUCE PRESSURES FOR PROTECTIONISM.

I AGREE ON THE IMPORTANCE OF SUSTAINING A FREE FLOW OF CAPITAL, TECHNOLOGY, AND MANAGEMENT SERVICES FROM THE DEVELOPED TO THE DEVELOPING COUNTRIES. IT WAS USEFUL FOR ME TO HEAR DIRECTLY YOUR CONCERNS ABOUT TAX DEFERRAL LEGISLATION AT A TIME WHEN WE ARE STILL DEVELOPING OUR TAX REFORM PACKAGE. THE STATE DEPARTMENT WILL SOON COMMUNICATE TO YOUR GOVERNMENT OUR PROPOSALS FOR A POSSIBLE INVESTMENT TREATY, WHICH COULD PROVIDE ANOTHER MEANS OF BOLSTERING CONFIDENCE ON THE PART OF POTENTIAL AMERICAN INVESTORS IN SINGAPORE.

I HAVE KEPT IN MIND YOUR PRESENTATION OF SINGAPORE'S DESIRE FOR A MORE EFFECTIVE AIR DEFENSE SYSTEM, SUCH AS A BATTERY OF THE IMPROVED HAWK MISSILES. IN ACCORDANCE WITH OUR DISCUSSION, I HAVE REVIEWED THE MATTER AND HAVE CONCLUDED THAT AUTHORIZING THAT SALE NOW WOULD NOT BE CONSISTENT WITH THE ARMS TRANSFER POLICY WHICH I ANNOUNCED EARLIER THIS YEAR. I DO WANT TO CONFIRM OUR APPROVAL OF THE SALE TO SINGAPORE OF PRODUCTION DATA FOR THE M-203 GRENADE LAUNCHER AS A SPECIAL EXCEPTION TO THE ARMS TRANSFER POLICY ON CO-PRODUCTION AGREEMENTS.

I VERY MUCH APPRECIATE YOUR WILLINGNESS TO ALLOW THE STAGING OF P-3 FLIGHTS. AS YOU REQUESTED WE HAVE DISCUSSED THE MATTER WITH THE CHAIRMAN OF THE SENATE FOREIGN CONFIDENTIAL

CONFIDENTIAL

PAGE 04 STATE 275393

RELATIONS COMMITTEE AND THE HOUSE INTERNATIONAL RELATIONS COMMITTEE WHO FORESEE NO PROBLEMS OR OBJECTIONS. WE WILL HAVE A SPECIFIC PROPOSAL SOON FOR YOUR CONSIDERATION.

IN ADDITION, I UNDERSTAND THAT THE UNITED NATIONS HIGH COMMISSIONER FOR REFUGEES HAS BEEN APPRISED OF YOUR MOST WELCOME INTENT TO SET ASIDE A TRANSIT FACILITY IN SINGAPORE FOR INDOCHINESE REFUGEES SEEKING INITIAL ASYLUM. WE TRUST THAT THE APPROPRIATE ASSURANCES WILL SOON BE FORTHCOMING FROM THE UNITED NATIONS. YOU CAN COUNT ON THE STRONG SUPPORT OF THE UNITED STATES GOVERNMENT.

THE UNITED STATES WELCOMES THE NEW VITALITY OF ASEAN AND THE RECENT BEGINNING OF AN ASEAN-US ECONOMIC DIALOGUE. WE LOOK FORWARD TO THE SERIES OF DETAILED CONSULTATIONS BEFORE THE NEXT SESSION OF THE ASEAN-US TALKS, TO BE HELD IN WASHINGTON IN 1978. IT MAY BE THAT NOT ALL OF THE SUGGESTIONS, WHETHER FROM THE U.S. OR ASEAN SIDE, WILL PROVE TO BE FEASIBLE. BUT WE HAVE INITIATED SOMETHING OF POTENTIALLY GREAT IMPORTANCE; IT DESERVES TO BE NURTURED.

OUR CONVERSATION MADE ME UNDERSTAND YOUR REPUTATION AS A STATESMAN WHO IS AN ACUTE OBSERVER AND ANALYST OF THE MEANINGFUL ISSUES OF OUR TIME. YOUR VISIT ENHANCED THE ALREADY WARM RELATIONS BETWEEN SINGAPORE AND THE UNITED STATES. I LOOK FORWARD TO WORKING TOGETHER WITH YOU, AND I TRUST THAT YOU WILL CONTINUE TO GIVE ME THE BENEFIT OF YOUR EXPERIENCE AND YOUR COUNSEL.

SINCERELY, (SIGNED) JIMMY CARTER.

THE HONORABLE  
CONFIDENTIAL

CONFIDENTIAL

PAGE 05 STATE 275393

LEE KUAN YEW  
PRIME MINISTER OF THE REPUBLIC OF SINGAPORE  
SINGAPORE  
VANCE

CONFIDENTIAL

NNN

## Message Attributes

**Automatic Decaptioning:** Z  
**Capture Date:** 01-Jan-1994 12:00:00 am  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** DIPLOMATIC COMMUNICATIONS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Sent Date:** 17-Nov-1977 12:00:00 am  
**Decaption Date:** 22 May 2009  
**Decaption Note:** 25 YEAR REVIEW  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 22 May 2009  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1977STATE275393  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** GS  
**Errors:** N/A  
**Expiration:**  
**Film Number:** D770425-1117  
**Format:** TEL  
**From:** STATE  
**Handling Restrictions:**  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1977/newtext/t19771147/aaaabnrc.tel  
**Line Count:** 179  
**Litigation Code IDs:**  
**Litigation Codes:**  
**Litigation History:**  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Message ID:** a355b117-c288-dd11-92da-001cc4696bcc  
**Office:** ORIGIN EA  
**Original Classification:** CONFIDENTIAL  
**Original Handling Restrictions:** ONLY  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 4  
**Previous Channel Indicators:** n/a  
**Previous Classification:** CONFIDENTIAL  
**Previous Handling Restrictions:** ONLY  
**Reference:** n/a  
**Retention:** 0  
**Review Action:** RELEASED, APPROVED  
**Review Content Flags:**  
**Review Date:** 08-Apr-2005 12:00:00 am  
**Review Event:**  
**Review Exemptions:** n/a  
**Review Media Identifier:**  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**SAS ID:** 547589  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** PRESIDENTIAL REPLY TO PRIME MINISTER LEE KUAN YEW  
**TAGS:** PPDC, SN, US, (LEE KUAN YEW), (CARTER, JIMMY)  
**To:** SINGAPORE  
**Type:** TE  
**vdkgvwkey:** odbc://SAS/SAS.dbo.SAS\_Docs/a355b117-c288-dd11-92da-001cc4696bcc  
**Review Markings:**  
Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
22 May 2009  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009